LOCAL AUTHORITIES BOARD

TWENTY-EIGHTH ANNUAL REPORT 1988

Alberta
LOCAL AUTHORITIES BOARD

89-02192/

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LOCAL AUTHORITIES BOARD

8th Floor, Pacific Plaza, 10909 Jasper Avenue, Edmonton, Alberta, Canada T5J 3L9 403/427-4278

January 31, 1989

The Honourable Don R. Getty
President of the Executive Council
Province of Alberta
307 Legislature Building
EDMONTON, Alberta
T5K 2B7

Dear Mr. Getty:

I have the honour to submit herewith the Twenty-Eighth Annual Report of the Local Authorities Board for the year 1988.

In addition to providing the information required by Section 26 of the Local Authorities Board Act, this Report also presents a brief description of the Board, its responsibilities and significant activities which occurred during 1988.

Respectfully yours

B.T. Clark
Acting Chairman

H.W. Thiessen
Member

R. Myroniuk
Territorial Services Manager

E. Fries
Financial Services Manager

N. Radomsky
Clerk Typist

I. Morin
Stenographer

S. Lukian
Assistant-Financial Services

C. Gilman
Clerk

From The Acting Chairman

B.T. Clark
Secretary-Member
(Acting Chairman)

It is my pleasure to present the 28th Annual Report of the Local Authorities Board and review briefly the Board's activities during 1988.

The Board conducted a total of 40 hearings, the majority of which consisted of annexation and tax exemption applications.

The City of Leduc annexation application commenced in 1987 and was completed in June of 1988 under the Chairmanship of the former Alberta Chief Justice, J.V.H. Milvain. Mr. Milvain continued under contract with the Board for the remainder of the year.

The number of financial applications, which includes municipal and school debentures, New Town estimate, use of surplus funds and amendments, received and/or carried over from 1987 totalled 431, of which 402 were granted in full or part. The applications received in 1988 represents an increase of 21.83% over those received in 1987.

Board fees collected increased from $102,558 in 1987 to $263,473 in 1988 due to the increase in the number of applications and a revision in the Board's tariff of fees effective June 30, 1987. The fees collected in 1988 represents 54.50% of the Board's estimated 1988-89 operating budget of $483,417.

In closing I wish to express my sincere appreciation to our staff for their contribution and valuable work in assisting Alberta municipalities during the past year.

Introduction

Authority

The Board obtains its authority from the Local Authorities Board Act, Chapter L-27, Revised Statutes of Alberta 1980, as amended.

The Board

The Local Authorities Board of Alberta is an independent quasi-judicial tribunal. The Board has all such powers, rights, privileges and immunities as are vested in the Court of Queen's Bench with regard to proceedings, the attendance and examination of witnesses, the production and inspection of documents, the enforcement of its Orders, the payment of costs and all other matters necessary or proper for the due exercise of its jurisdiction or otherwise for the carrying into effect any of its powers.

The Orders, decisions, rules or regulations of the Board may, with leave, be appealed to the Court of Appeal on questions of jurisdiction or law but not on questions of fact. The Board's Orders relating to petitions for annexation have no effect unless approved by the Lieutenant Governor in Council who may approve the Order, prescribe conditions that the Order is subject to and approve the Order subject to those conditions, vary the Order and approve the Order as varied, or disapprove the Order.

The Board is not subject to direction by any Minister, Member of the Legislative Assembly, or government official in respect to its quasi-judicial duties.

The Members

The Local Authorities Board Act provides for not more than six persons appointed by the Lieutenant Governor in Council as members of the Board. A member of the Board holds office during pleasure.

The Staff

The Board had eight staff members in 1988. The Financial and Territorial Services Divisions report to the Secretary-Member.

Location

The Board offices are located on the 6th Floor of the Pacific Plaza, 10909 Jasper Avenue, Edmonton, T5J 3L9 (telephone 403-427-4278).

Reporting and Audit

The Board reports to the Lieutenant Governor in Council through the Minister of Municipal Affairs. The Board's expenses are paid from the Province's General Revenue Fund and the accounts are audited by the Provincial Auditor General.

Financing

The Board operates on a fiscal year basis, April 1st to March 31st and submits a yearly budget for approval to the Legislature. As of December 31, 1988, the Board was within its total budget. It is difficult to forecast expenditures accurately as the Board cannot estimate precisely the nature, extent and number of applications with which it must deal.

The table below indicates the details of the Board's budget:

EXPENDITURE GROUPS	ACTUAL 1987-88	ESTIMATE 1988-89
Manpower	335,205	443,007
Supplies & Services	74,268	40,410
TOTAL EXPENDITURE	409,473	483,417

The Board obtained $263,473 from fees during 1988 in connection with applications from local authorities for loan authorizations by way of debentures, petitions for annexation or separation of land, applications for tax exemption, miscellaneous amendments, and copies of Orders, etc.

Responsibilities

The Local Authorities Board Act — Other Acts Administered

Section 27 of the Local Authorities Board Act states that

(1) The Board has all the necessary jurisdiction and power

(a) to inquire into the merit of any application of a local authority for permission to raise money by way of debenture or on the security of stock;

(b) to supervise the expenditure of money borrowed by a local authority;

(c) to deal with the financial affairs of local authorities;

(d) to grant permission for the extension of the time for repaying the indebtedness incurred by a local authority for the cost of its public works;

(e) to separate land from an urban municipality;

(f) to order compromises of tax arrears;

(g) subject to the approval of the Minister, to establish limits for borrowing by local authorities.

(2) In addition to the jurisdiction and powers mentioned in subsection (1), the Board has all necessary jurisdiction and powers to perform any duties that are from time to time assigned to it by statute or pursuant to statutory authority.

In addition to the aforementioned legislation, there are also numerous sections within the Municipal Government Act which require the approval of the Board pertaining to various matters. There are also several sections within the Municipal Taxation Act, the Municipal Tax Exemption Act, the New Towns Act, the School Act, the Planning Act, the County Act, the Clean Water Act, the Irrigation Act, the Hospitals Act and the Tax Recovery Act that fall to a certain extent under the jurisdiction of the Board. The Board is bound by the Administrative Procedures Act.

Services

The Board considers and decides upon matters falling into several categories:

A. Debt Creation and Debt Management

1. Applications by local authorities for authorization of debenture borrowings (the Local Authorities Board Act, the Municipal Government Act and the School Act).

2. Applications by local authorities for use of surplus debenture funds (the Municipal Government Act and the Local Authorities Board Act).

B. Financial Management

3. Applications for inquiry into the affairs of local authorities where financial difficulties are involved, including fixing by Order of the terms and conditions of any resultant financial control of the authority by the Board (the Local Authorities Board Act).

4. Authorization of financial programs for controlled local authorities including a New Town (the Local Authorities Board Act and the New Towns Act).

C. Taxation, Arrears and Special Assessments

5. Recommendations to the Lieutenant Governor in Council respecting applications by non-profit organizations for exemption from assessment and taxation of properties leased from the Crown or owned and either used by the organization or leased to other non-profit organizations (the Municipal Tax Exemption Act).

6. Applications for compromise of tax arrears (the Local Authorities Board Act).

7. Applications by municipalities for approval to carry out local improvement work and assess the costs thereof against the properties concerned, notwithstanding the lack of consent of the required majority of owners concerned (the Municipal Taxation Act).

D. Territorial Jurisdiction

8. Petitions for annexation or separation of lands to or from municipalities, including the fixing of terms and conditions of such annexation or separation (the Municipal Government Act, the Local Authorities Board Act and the County Act). The annexation Board Orders are subject to approval by the Lieutenant Governor in Council.

9. Applications for approval to acquire lands lying outside the boundaries of a municipality when consent of the municipality in which the lands are situated cannot be obtained (the Municipal Government Act).

10. Referrals by the Irrigation Council of petitions for formation, change of area, amalgamation or dissolution of Irrigation Districts, including the fixing of terms (the Irrigation Act).

E. Other Matters

11. Recommendations to the Lieutenant Governor in Council concerning matters referred to the Board (the Local Authorities Board Act).

12. Applications to authorize the amendment or rescinding of municipal tax sharing agreements when mutual agreement cannot be reached (the Municipal Government Act).

13. Applications by ratepayers for examination of procedures in determining the sufficiency of a petition for or against a local improvement (the Municipal Taxation Act).

14. Applications by municipalities for establishment and maintenance of plans of insurance to

cover municipal property losses and municipal legal liability to others arising out of accidents and occurrences (the Municipal Government Act).

Other Functions

General

The Board communicates through its Orders, Recommendations and Regulations and does not report to any superior in respect to its day to day activities. However, the Board performs a number of functions to assist the Government, Legislative Assembly and municipalities while still maintaining its independence and quasi-judicial status.

Inquiries

The Board, on its own motion may, and upon the request of the Lieutenant Governor in Council shall, inquire into, hear and determine any matter or thing within its jurisdiction. Public hearings are generally held in respect to such inquiries with the result that the Lieutenant Governor in Council receives a report.

Reports

The Board reports it activities to the President of the Executive Council by means of its Annual Report.

Legislative Changes

When requested, the Board provides comments on proposed changes to legislation.

Orders in Council

The Board issues Orders and makes Recommendations for Orders in Council in respect to annexation and tax exemption matters respectively. The Lieutenant Governor in Council makes the decision whether or not to approve same.

Activities

The following is a summary of applications dealt with by the Board:

	CARRIED FROM 1987	NEW ADDED IN 1988	NUMBER GRANTED IN PART OR FULL	NUMBER NOT GRANTED*	OUTSTANDING AS AT DEC. 31, 1988
Financial					
Debenture	6	364	348	5	17
New Town Estimates	0	1	1	0	0
Use of Surplus Funds	2	12	13	1	0
Amendments	1	37	34	1	3
Miscellaneous	0	8	6	0	2
Territorial					
Annexation	8	13	10	1	10
Separation of Land	0	2	0	1	1
Tax Exemptions	7	27	11	19	4
Amendments	3	3	0	0	6
Irrigation	0	2	1	0	1
Miscellaneous	0	1	1	0	0

(* NUMBER NOT GRANTED includes applications refused, returned or withdrawn.)

Summary

Debenture Borrowings Approved — 1988 (In Thousands of Dollars)

Category of Application	Cities	Towns/ New Towns	Villages/ Summer Villages	Counties/ Municipal Districts	School Divisions/ Districts	Commissions	Total
Sewer and Water							
# Approved	14	22	3	5	0	2	46
Amount Approved	42,846	6,338	351	430	0	15,900	65,865
Roads, Bridges, Curb, Gutter and Sidewalk							
# Approved	62	39	9	4	0	0	114
Amount Approved	85,139	4,903	621	3,212	0	0	93,875
Land and Municipal Buildings							
# Approved	7	10	3	1	0	0	21
Amount Approved	8,767	2,192	320	1,000	0	0	12,279
Vehicles, Equipment and Machinery							
# Approved	13	3	0	0	0	1	17
Amount Approved	4,332	194	0	0	0	166	4,692
Utilities							
# Approved	7	0	0	0	0	0	7
Amount Approved	64,204	0	0	0	0	0	64,204
Parks and Recreational							
# Approved	12	7	0	0	1	0	20
Amount Approved	8,314	1,904	0	0	1,500	0	11,718
School							
# Approved	0	0	0	44	93	0	137
Amount Approved	0	0	0	24,604	92,018	0	116,622
Health and Community Services							
# Approved	5	0	0	0	0	0	5
Amount Approved	17,186	0	0	0	0	0	17,186
Subdivision and Development							
# Approved	0	1	0	2	0	0	3
Amount Approved	0	876	0	2,392	0	0	3,268
Total							
# Approved	120	82	15	56	94	3	370
Amount Approved	230,788	16,407	1,292	31,638	93,518	16,066	389,709

Summary

Annexations Granted — 1988

PROPOSED USE OF ANNEXED LANDS IN HECTARES (ACRES)

	CITIES	TOWNS/ NEW TOWNS	VILLAGES/ SUMMER VILLAGES	COUNTIES	TOTAL
Number of Applications	3	2	3	2	10
Residential	1.04	515.20	93.08	0.00	609.32
	(2.57)	(1,273.10)	(230.02)	(0.00)	(1,505.69)
Industrial	1,721.72	223.20	0.00	0.00	1,944.92
	(4,254.46)	(551.54)	(0.00)	(0.00)	(4,806.00)
Commercial	100.28	109.89	0.00	0.00	210.17
	(247.79)	(271.54)	(0.00)	(0.00)	(519.33)
Control	0.00	4.55	3.24	8,289.55	8,297.34
	(0.00)	(11.24)	(8.00)	(20,483.92)	(20,503.16)
Recreational	0.00	84.29	132.86	0.00	217.15
	(0.00)	(208.28)	(328.30)	(0.00)	(536.58)
Total	1,823.04	937.13	229.18	8,289.55	11,278.90
	(4,504.82)	(2,315.70)	(566.32)	(20,483.92)	(27,870.76)

Summary of Financial Applications Approved, by Local Authority

CITIES	
Airdrie	8
Calgary	31
Camrose	1
Drumheller	1
Edmonton	42
Fort McMurray	10
Leduc	1
Lethbridge	8
Medicine Hat	14
Red Deer	7
St. Albert	1
Spruce Grove	5
Total	129

TOWNS/NEW TOWNS	
Barrhead	1
Beaumont	2
Black Diamond	1
Bonnyville	1
Brooks	15
Calmar	3
Castor	2
Claresholm	1
Coaldale	2
Cochrane	3
Daysland	1
Devon	1
Didsbury	2
Drayton Valley	1
Fairview	2
Fort Macleod	3
Fox Creek	1
Gleichen	1
Grand Centre	8
High Level	4
High Prairie	4
High River	1
Hinton	1
Irvine	1

TOWNS (continued)	
Lacombe	2
Manning	1
Mayerthorpe	1
McLennan	1
Olds	1
Oyen	1
Peace River	4
Ponoka	2
Provost	1
Rainbow Lake	2
Rimbey	1
Slave Lake	4
Smoky Lake	1
Stavely	1
Strathmore	4
Sundre	3
Tofield	3
Vauxhall	2
Wainwright	1
Westlock	2
Whitecourt	1
Total	101

VILLAGES/SUMMER VILLAGES	
Beiseker	1
Breton	1
Burdett	2
Caroline	2
Donnelly	1
Grassy Lake	1
Hairy Hill	1
Hythe	1
Kitscoty	1
Legal	1
Milo	1
Mirror	1
New Norway	2
Rockyford	1
Wildwood	1
Total	18

COUNTIES	
Grande Prairie No. 1	4
Vulcan No. 2	1
Ponoka No. 3	6
Warner No. 5	1
Forty Mile No. 8	1
Wetaskiwin No. 10	3
Barrhead No. 11	4
Athabasca No. 12	1
Lacombe No. 14	2
Wheatland No. 16	1
Mountain View No. 17	1
Paintearth No. 18	1
St. Paul No. 19	3
Strathcona No. 20	5
Camrose No. 22	2
Red Deer No. 23	2
Vermilion River No. 24	2
Leduc No. 25	2
Lac Ste. Anne No. 28	2
Flagstaff No. 29	2
Lamont No. 30	1
Parkland No. 31	5
Total	52

MUNICIPAL DISTRICTS	
Pincher Creek No. 9	1
Foothills No. 31	1
Rocky View No. 44	1
Brazeau No. 77	1
Total	4

SCHOOL DISTRICTS	
Calgary R.C.S. No. 1	6
St. Albert No. 3	1
Glen Avon Prot. S. No. 5	1
St. Albert Prot. S. No. 6	1
Edmonton No. 7	10
Edmonton R.C.S. No. 7	4
Lethbridge C.S. No. 9	1
Wetaskiwin R.C.S. No. 15	1
Calgary No. 19	2
Medicine Hat R.C.S. No. 21	1
Drumheller R.C.S. No. 25	1
Grande Prairie R.C.S. No. 28	1
Wainwright R.C.S. No. 31	2
Fairview R.C.S. No. 35	1
North Peace R.C.S. No. 43	2
Lethbridge No. 51	3

SCHOOL DISTRICTS (continued)	
Taber R.C.S. No. 54	1
Medicine Hat No. 76	2
Red Deer Public No. 104	2
Sherwood Park C.S. No. 105	3
Spruce Grove R.C.S. No. 128	1
Lakeland R.C.S. No. 150	1
Leduc No. 297	1
Camrose No. 1315	1
Grande Prairie No. 2357	1
Whitecourt No. 2736	3
Fort McMurray No. 2833	1
Jasper No. 3063	2
Grovedale No. 4910	1
St. Isidore No. 5054	1
Swan Hills No. 5109	1
Grande Cache No. 5258	1
Lakeland No. 5460	1
Total	62

SCHOOL DIVISIONS	
Cardston No. 2	2
Cypress No. 4	1
Taber No. 6	2
Peace River No. 10	2
Yellowhead No. 12	1
Rocky Mountain No. 15	2
Sturgeon No. 25	1
Willow Creek No. 28	1
Pincher Creek No. 29	1
Starland No. 30	1
Wainwright No. 32	3
Provost No. 33	1
Foothills No. 38	3
Rocky View No. 41	2
High Prairie No. 48	2
Lac La Biche No. 51	1
Fort Vermilion No. 52	3
Northland No. 61	2
Drumheller Valley No. 62	1
Mount Rundle No. 64	1
Total	33

COMMISSIONS	
Big Country Waste Management	1
Capital Region Sewage	1
Henry Kroeger Water Services	1
Total	3

Summary of Annexation Applications Granted, by Local Authority

CITIES		VILLAGES/SUMMER VILLAGES	
Leduc	1	Boyle	1
Medicine Hat	1	Sandy Beach S.V.	1
St. Albert	1	Stirling	1
Total	3	Total	3

TOWNS/NEW TOWNS		COUNTIES	
High River	1	Grande Prairie No. 1	1
Slave Lake	1	Leduc No. 25	1
Total	2	Total	2

Summary of Applications Approved/Granted, by Category of Local Authority

CATEGORY OF LOCAL AUTHORITY	FINANCIAL APPLICATIONS	ANNEXATION APPLICATIONS
CITIES	129	3
TOWNS/NEW TOWNS	101	2
VILLAGES/SUMMER VILLAGES	18	3
COUNTIES	52	2
MUNICIPAL DISTRICTS	4	0
SCHOOL DISTRICTS	62	0
SCHOOL DIVISIONS	33	0
COMMISSIONS	3	0
TOTAL	402	10